

Power Cost Memorandum Fuel Cost Update

Date: December 17, 2020

Utility Name (Cert. No.) Kipunk Light Plant (446)	Utility File No. PC87-0619B	Date Filed: November 6, 2020
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PCE AMOUNT SUMMARY	Previously Approved PC87-0619A	Staff Recommended Amount(s) and Effective Date PC87-0619B
Class Rate	Date Approved: July 1, 2020	December 18, 2020
Residential	\$ 0.4839	\$ 0.4839
Community Facility	\$ 0.4839	\$ 0.4839
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: \$ 4.3640	New Fuel Purchase Price: \$ 2.5820
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted
Delivery Charge: _____	Surcharge Change: Previous _____ Updated _____

Weighted Average Fuel Price/Gal. Calculation					
	Gallons		Price		
On-hand before deliv.	-	X	4.3640	=	-
Delivered	140,184	X	2.5820	=	361,955.09
	<u>140,184</u>				<u>\$ 361,955.09</u>
					Weighted Average \$ 2.5820

Signed: Brenda Cox Utility Financial Analyst
Brenda Cox

Commission decision re. this recommendation :

	Date (if different from 12/17/20)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Pickett		<u>RMP</u>		
McAlpine		<u>SM</u>		
Scott		<u>AGS</u>		
Sullivan		<u>AS</u>		
Wilson		<u>JW</u>		

Special Instructions to Staff:

* If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

KIPNUK LIGHT PLANT

APPENDIX 1

POWER COST EQUALIZATION CALCULATION

Based on a test year ending December 31, 2018

Fuel Cost Update

	PC87-0619A	PC87-0619B	
	Prior Commission Approval	Utility Request	Staff Recommended
A. Total kWh Generated	2,025,960	2,025,960	2,025,960
B. Total kWh Sold (U-91-099)	1,006,969	1,006,969	1,006,969
C. Total Non-Fuel Costs (Appendix 2)	560,109	560,109	552,029
D. Non-Fuel Cost/kWh (C / B)	\$0.5572	\$0.5572	\$0.5492
E. Total Fuel Costs (Appendix 2)	691,463	409,110	409,110
F. Fuel Costs/kWh (E / B)	\$0.6867	\$0.4063	\$0.4063
G. Eligible Costs/kWh (D + F)	\$1.2439	\$0.9635	\$0.9555
H. Eligible Cost/kWh (G) less base rate in effect	\$1.0376	\$0.7572	\$0.7492
I. Lesser of (H) or 79.37 cents/kWh	\$0.7937	\$0.7572	\$0.7492
J. Average Class Rates (Appendix 3)			
Residential	\$0.4839	\$0.4839	\$0.4839
Community Facility	\$0.4839	\$0.4839	\$0.4839
Class Power Cost Equalization Per kWh Payable			
K. Lesser of: (I) x 95% or (J)			
Residential	\$0.4839	\$0.4839	\$0.4839
Community Facility	\$0.4839	\$0.4839	\$0.4839
L. Funding Level in Effect	100%	100%	100%
Residential	\$0.4839	\$0.4839	\$0.4839
Community Facility	\$0.4839	\$0.4839	\$0.4839

PC87-0619B

Appendix 1

KIPNUK LIGHT PLANT

APPENDIX 2

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY

Based on a test year ending December 31, 2018

Fuel Cost Update

		PC87-0619A	PC87-0619B	
		Prior Commission Approval	Per Utility	Staff Recommended
Non-Fuel Costs:				
A.	Personnel Costs	452,644	452,644	452,644
B.	Operating Expenses	20,212	20,212	20,982
C.	General & Administrative	77,597	77,597	76,986
D.	Depreciation	14,342	14,342	13,303
E.	Interest Expense	2,344	2,344	2,174
F.	Misc. Income	(7,030)	(7,030)	(14,060)
G.	Total Non-Fuel Costs	560,109	560,109	552,029
Fuel Costs:				
H.	Gallons Consumed for Electric Generation	158,447	158,447	158,447
I.	Price of Fuel:(per gal) Weighted Average	\$4.3640	\$2.5820	\$2.5820
J.	Total Cost of Fuel (H x I)	\$691,463	\$409,110	\$409,110
K.	kWh Generated (TA119-446)	2,025,960	2,025,960	2,025,960
L.	kWh Sales(TA119-446)	1,850,082	1,850,082	1,850,082
M.	kWh Station Service	53,636	53,636	53,636
N.	Efficiency (K / H)	12.79	12.79	12.79
O.	Line Loss	6.03%	6.03%	6.03%
(kWh Generated - (kWh Sold + kWh Station Service))/kWh Generated				

PC87-0619B
Appendix 2

KIPNUK LIGHT PLANT

CALCULATION OF AVERAGE CLASS RATE PER kWh

Rate Schedule: **Residential**

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2063
0 to 500	0.6902		0.6902	345.1000		
to						
to						
to						
Max 500			Total	345.1000	0.6902	0.4839

Rate Schedule: **Community Facilities**

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2063
0 to	0.6902		0.6902	345.1000		
to						
to						
to						
Max			Total	345.1000	0.6902	0.4839

KIPNUK LIGHT PLANT
Fuel Purchases

	Delivery Date	Gallons	Cost per Gallon	Delivery/ Mark-Up per Gallon	Total Cost
Beginning Fuel Inventory		-			
Last Approved Fuel Cost/Gal.			4.3640		
Beginning Fuel Inventory in Gallons	X	Last Approved Fuel Cost/Gal. = Beginning Fuel Inventory Cost --->		\$	-
Reporting Period Purchases	06/04/20	90,184.0	2.7667		249,512
	10/13/20	50,000.0	2.2490		112,450
					-
					-
					-
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					-
					-
					-
Totals for Reporting Period		140,184			361,962

Purchases on this sheet: **\$2.5820**
Delivered Weighted Average 140,184 B \$ 361,962
Grand Totals (beginning inventory plus purchases) A
Grand Total Cost (B) divided by Grand Total Gallons (A) = 2.5820 Weighted Avg. Cost per gallon

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